



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 1, 2005

CERTIFIED RETURN RECEIPT
7002 0510 0003 8603 4315

Terry Wetz
International Uranium (USA) Corporation
Independence Plaza
1050 Seventeenth Street
Denver, Colorado 80265

Subject: Five-Year Review of Reclamation Surety Estimate, International Uranium (USA) Corporation, Rim-Columbus Mine M/037/006, Pandora Mine M/037/012, LaSal – Snowball Permit M/037/026, Hecla Shaft M/037/043, Redd Block IV M/037/046, San Juan County, Utah

Dear Mr. Wetz:

Thank you for providing the requested information regarding the five-year review status of the Rim-Columbus, Pandora, LaSal-Snowball, Hecla Shaft, & the Redd Block IV Mines, located in San Juan County, Utah. The last combined surety estimate for these mines was \$475,100 in 2002 dollars. Upon review of the information furnished by International Uranium (USA) Corporation and a site visit to verify the site conditions, we find we only need to escalate the existing bonds for a five-year period. The only changes made to the original bond amounts were the addition of monies for reclamation supervision and equipment mobilization/demobilization.


The combined surety for these mines escalated to the year 2010 is \$738,100. Surety Estimate Updates for each site are attached for your use. These Updates show the new bond amounts for each of the individual mines. Please provide the updated sureties within 60 days or no later than September 30, 2005.

You may provide riders to the existing sureties. The Reclamation Contracts would have an addendum added to bring them current. However, if you choose to post another form of surety, please contact Beth Ericksen at (801) 538-5318 to obtain the current bonding forms.

Terry Wetz
Page 2 of 2
IUC Surety Updates
August 1, 2005

If you are unable to provide the sureties within this timeframe, please contact the Division with justification for requesting additional time. Thank you for your help in keeping the surety current. If you have any questions concerning this letter, please contact Doug Jensen at (801) 538-5382.

Sincerely,


for Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:DJ:jb

Attachment: (5) Surety Estimate Updates

cc: Frank Bain, BLM, Moab FO w/attachments
Ted McDougal, BLM Monticello FO w/attachments
Will Stokes, SITLA (ML24092S, 18301-MM) w/attachments
Doug Jensen, DOGM
Beth Ericksen, DOGM

O:\M037-SanJuan\M0370006-RimColumbusMine\Final\bond-escal-08012005.doc

RECLAMATION SURETY ESTIMATE

International Uranium (USA) Corporation

Redd Block IV *M/037/046*

DOGM file number *M037/046*

Prepared by Utah State Division of Oil, Gas & Mining

last revision

07/27/05

filename M037-046.WB2

San Juan County

-This estimate uses a D9 size dozer for most earthwork

Original bond was calculated to cover 4 acres of disturbance.

A survey dated April 10, 2003 indicates that the total disturbance at the site is ~6 acres.

This bond is calculated on this basis.

A well has been located on the site, there are no records to indicate the depth of this feature, therefore a lump sum amount of \$2000 for closing this well has been included in this estimate.

Note: actual unit costs may vary according to site conditions

last unit cost update

7-Oct-02

-Amount of disturbed area which will receive reclamation treatments =

6 acres

-Estimated total disturbed area for this mine =

6 acres

Activity	Quantity	Units	\$/unit	\$	Note
Debris & equipment removal - trucking	2	trips	55	110	(3)
Debris & equipment removal - loading trucks w/FE loader	2	hours	180	360	(5)
Demolition & debris removal - general labor	2	hours	15	30	(6)
Regrading site	3	acre	315	945	(9)
Ripping compacted areas	3	acre	315	945	(9)
Well closure	1	lump sum	2000	2,000	
Topsoil replacement - dozer	1800	CY	0.51	918	(12)
Drill seeding	6	acre	240	1,440	(00)
Equipment mobilization	1	equip	2000	2,000	(00)
Reclamation Supervision - 10% of Surety Estimate				875	(15)
		Subtotal		9,623	
10% Contingency				962	
		Subtotal		10,585	
Escalate for 5 years at 4.44% per yr				2,568	
		Total		13,153	
Rounded surety amount in yr 2010-\$				13,200	
Average cost per disturbed acre =			2,200		